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INDIAN PROGRAM FOR HIGH-YIELDING GRAINS

WORLD PRODUCTION OF COTTON, FILBERTS, WALNUTS

DUTCH USE OF FROZEN FOODS

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Including FOREIGN CROPS AND MARKETS

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Andrha Pradesh farm girl holds a sheaf of hybrid rice grown under the Indian Government's new program for increasing the output of foodgrains. See story beginning on page 3.

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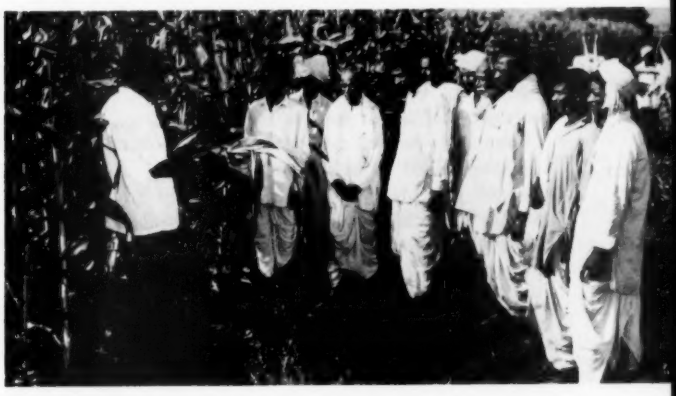
Left, the author inspects field of millet with farmer in Uttar Pradesh. Below, Indian farmers on field trip listen to extension guide explain modern ways to cultivate corn.



India Looks to High-Yielding Grains To Help Feed Itself

By JAMES H. BOULWARE
U.S. Agricultural Attaché
New Delhi

A highly ambitious target has been set by India's leaders to increase their country's foodgrain production from an average of 80 million tons during 1961-66 to 120 million by 1970-71. The country's new High-Yielding Variety Program (HYVP) is the keystone to that drive, in step with India's continuing efforts to feed its burgeoning population. Under this program some 32 million acres of the country's most productive areas are to be planted with high-yielding varieties of foodgrains.

HYVP was begun in 1965 as an outgrowth of the Intensive Agricultural Development Program—frequently called the Package Program—an earlier attempt to modernize India's farms. It was initiated some years ago after leading Indian and foreign observers cautioned that reliance on traditional Indian farming methods would not enable the country to supply enough food for the rapidly growing population. It was also noted at that time that it would take many years for the nation's 60 million farmers to be trained and adapted to modern technology.

With this tremendous task before them, the Indian Government—in cooperation with the Ford Foundation—selected seven of the country's outstanding agricultural districts to try out concentrated modern farming techniques in "packages of practices." Later the Program was extended to the other States.

The Package Program was undertaken in 1960-61. An Indian Government team which evaluated the progress of the program during the 5-year period 1960-61 through 1964-65 and submitted its report in 1966 criticized the country's "archaic" administrative system. It said the system favored the status quo and was incompatible with changes necessary to implement the Package Program. The critics also felt that a much longer period than the 5 years planned would be needed for implementation. Nonetheless, yields were rising and the team concluded that with modifications the Program could do much to ameliorate India's chronic food deficit.

The Package Program was initially based on indigenous Indian varieties of foodgrains—generally tall plants that tend to lodge under high fertility. And fertilizer in the quantities needed for high yields from these plants was not even available.

Plant-breeding an answer

Recognizing these shortcomings, scientists backed by the Rockefeller Foundation, in cooperation with the Indian Government and as a part of the Foundation's worldwide program, began efforts to adapt high-yielding, short-stem varieties of rice and wheat to Indian conditions. A breeding program was begun and pursued vigorously to develop hybrids of Indian types of corn, milo, and millets. Plans were made to expand fertilizer production and to import what could not be manufactured.

These projects crystallized, and in 1965 the government decided to apply the principles of the Package Program to a new High-Yielding Variety Program. Experience had shown that with proper care, adapted varieties, adequate fertilizer, and abundant water, the 32 million acres planted with high-yielding foodgrains could be expected to produce 25 million tons more than their normal yield—the bulk of the targeted increase.

Planted on these acres are short-season rice varieties from Taiwan and the International Rice Research Institute in the Philippines. The varieties are Taichun Native I, Tainan 3 and 65, and others, all of which require only about 100 days from planting to harvest. India's Rice Research Institute in Orissa, in cooperation with its Madras station, bred and developed ADT 27. This variety has been especially welcome because it combines the grain characteristics liked by Indian consumers, high yields, and moderate fertility requirements. An important asset is this variety's high resistance to plant diseases common to southern India.

The program for wheat probably has been most successful. In the early 1960's a Mexican short-stemmed variety (Sonora 64) was imported and tested. The grain was not fully suited to Indian tastes, but was acceptable and proved highly adaptable. A program was developed to increase seed and by planting time in 1966 some 15,000 tons were on hand. Demand was so great the Indian Government imported an additional 18,000 tons of seed from Mexico, probably the largest seed shipment in history.

Soon after Sonora 64 was imported, breeding programs were begun and numerous selections made. Some of these retained the high-yielding qualities and provided grain suitable to Indian tastes. One of these was Selection 227. In 1965, a farmer near New Delhi harvested 6,050 pounds of 227—almost 101 bushels per acre from a 2.5-acre plot. This year he has some 200 acres planted and expects an average return of 75 bushels.

Corn, sorghum, and millets have also proved themselves adaptable to hybridization. Indian research institutions, backed by help from the Rockefeller Foundation, have developed hybrid varieties suitable to Indian conditions. Some of these varieties are being rapidly propagated and results have been promising.

In the Punjab, one of India's leading agricultural States, 99 villages had an average of 27 bushels of corn per acre in 1965-66. In those same villages, hybrid varieties cultivated with recommended practices averaged from 65 to 70 bushels per acre. Outstanding villages were able to obtain 90 per acre. Equally or more important to the farmer has been his net profit increase from $61.32 to $141.30 per acre.

Results with sorghum and millets have been equally impressive. M. Mahadevappa, a young farmer in Mysore, tried hybrid sorghum, and at a field day some 40 farmers estimated his yield at 3 tons per acre compared to a State average of 0.2 ton. Few in India ever dreamed that millets which averaged 281 pounds per acre could produce 3,300 pounds. A New Delhi farmer proved it, however, by producing 1,650 pounds on a half acre of hybrid HB 1. One farmer said "Of course the hybrid seed costs more and fertilizer is expensive, but look at the results—a net profit of $533 from 5½ acres."

Some hurdles ahead

While the merits of the HYVP have been widely publicized, the problems have not. Plant populations increased by two, three, or four times may not always result in a proportionate increase in output. Furthermore, fertilizer applications containing 100 pounds or more of nitrogen and comparable amounts of other nutrients per acre would be needed and are costly.

The Indian villager, frequently illiterate and following a centuries-old tradition of subsistence farming, would be required almost overnight to learn and adapt himself to twentieth-century science and commerce. And the lush growth of high-yielding plants attracts pests and requires control measures completely foreign to some Indian farmers. In the Raipur district of Madhya Pradesh, for example, rice leafhoppers were attracted to fields of luxuriant Taichung Native (TN)1 rice and literally turned the fields brown. Farmers who applied insecticides reaped bountiful harvests, but others—who had not learned control measures—plowed their crops under.

Unquestionably, farmers who have adapted rapidly to modern methods are the leaders in their villages and are reaping broad benefits. On the other hand, as plantings of high-yielding varieties increase as projected into 1971, problems will also increase. Nonetheless, progress gives realistic hope that given access to good seed, fertilizer, and pesticides, and with adequate water and credit, the Indian farmer has bright prospects of increasing production and improving his economic position.

Above, bagging seeds of hybrid corn. Below, extension guide, left, with farmer who switched from sugarcane to hybrid corn and now earns five times as much. Right, one of the many signs posted along rural roads to publicize the Plan. (Photo from Edwin Bay).

World Cotton Crop Smallest Since 1961, With Biggest Drop in the U.S.

World cotton production for 1966-67 is now estimated at 47.2 million bales.* This is a decline of 6.0 million bales from the 1965-66 record, and is the smallest world harvest in 5 years. Because this crop is nearly 5.0 million bales below the estimated world consumption for 1966-67, world carryover stocks will be reduced by that amount, with most of the decline expected in the United States.

The total area devoted to cotton this season is placed at 75.2 million acres, 5.7 million fewer than in 1965-66. More than 4.0 million fewer acres were harvested in the United States. The average yield for the world was lower too—301 pounds of lint per acre compared with 316 pounds in the preceding season.

By far the greatest reduction in cotton production took place in the United States. Final ginnings showed a 1966-67 crop of 9,575,000 bales, down 5.4 million from a year earlier. Not only was acreage low because of the cotton diversification program which was in effect for the 1966 season, but the average yield of 480 pounds of lint cotton per acre was down sharply from the record high of the previous year.

Lower harvests in Central and South America

Production in the Central American countries decreased; for the current season it is expected to be about 14 percent below the 1965-66 level.

The greatest drop percentagewise was in Guatemala, where the current crop is estimated at 290,000 bales as against the 407,000 harvested in 1965-66. El Salvador's crop, at 175,000 bales, is down one-fourth, and Mexico's at 2,250,000 bales, is about 15 percent below last year's record. Nicaragua will probably harvest around 525,000 bales, a volume not materially different from that of the preceding year.

Cotton production in South America is down too, because of smaller crops in Argentina and Brazil. It is difficult to accurately assess prospects in these countries because the harvest is still in progress. However, preliminary estimates indicate that the Argentine crop may be as much as 100,000 bales below the 1965-66 harvest of 535,000 bales; and Brazil's crop is now placed at 2.0 million bales compared to 2.5 million the previous year.

Two South American countries are likely to show an increase. Production in Colombia may reach 350,000 bales, 17 percent higher than last year's crop. Also, Peru's 1966-67 crop is placed at 550,000 bales, which is slightly above output in the preceeding season.

African crops good

In most countries of Africa the cotton crops are equal to or larger than those of 1965-66—important exceptions being the UAR (Egypt) and Uganda.

Sudan's crop, which is now being harvested, is likely to exceed by 10 percent or more the 750,000 bales produced in 1965-66. The crop in Nigeria may reach 235,000 bales this season, the highest level since 1962-63. Chad and the Central African Republic are expecting considerably larger crops, and in Tanzania the season's yield of 360,000 bales is 16 percent above the record set last year.

*All bales are 480 pounds net weight.

In Egypt, where the smaller crop is attributed primarily to the low yields caused by the cotton leafworm, the decrease is 0.3 million bales below last year's 2.4 million. Late planting and inadequate moisture during the growing season reduced Uganda's crop below that of a year earlier.

Europe and the Middle East

Europe's cotton output this year is estimated at 0.9 million bales, an increase of 0.1 million from 1965. In Greece, the crop is placed at 390,000 bales, up 15 percent from a year earlier, and the Spanish crop is estimated at 410,000 bales compared with 370,000 last season.

Turkey harvested another bumper crop this season—1.7 million bales compared with 1.5 million in 1965. Israel, with a crop estimated at 115,000 bales, continued to expand production by expanding acreage.

In contrast are the cotton harvests of Iran and Syria. In Iran, final ginnings may show a crop of less than 500,000 bales as against 645,000 bales in 1965-66. Syria's 1966-67 cotton estimate has been lowered to 620,000 bales from last year's output of 825,000; acreage was down sharply as were yields.

Indian crop down, others set record

India's 1966-67 crop is now placed at 4.6 million bales —the same as last season's depressed level and far below the alltime record of 5.2 million bales in 1963-64. Lack of rainfall was the main reason. Pakistan, on the other hand, harvested the largest crop in its history—about 2.0 million bales—and it was produced on an acreage slightly smaller than that of the previous year.

Production in Australia may reach 100,000 bales, and if so, will be the largest harvest ever recorded there.

Also, the USSR chalked up another record for the fourth successive year. At 9.3 million bales, the Soviet crop is 0.5 million larger than in 1965-66. It too was produced on slightly smaller acreage.

While the customary lack of information about Mainland China makes estimates of current crop conditions conjectural, it is believed that the current crop is not significantly different from the 5.7 million bales harvested last year.

Extra-long staple slightly down

Free World production of extra-long staple cotton (ELS) is estimated at about 2.0 million bales for 1966-67, only slightly below that produced in the preceding year.

The Egyptian crop, which totaled 1,037,000 bales in 1965, was down to 863,000 because of poor yields. The Peruvian harvest is estimated at 225,000 bales compared with 180,000 in 1965-66, and in Sudan where harvest is now in progress, a crop of 725,000 bales is expected compared with 663,000 the previous year.

The United States produced 73,000 bales of American-Egyptian cotton, a decline from 88,000 produced in 1965-66. The 1967 acreage allotment for ELS is 70,500 with 81,400 in 1966.

This article is excerpted from a newly published circular *World Cotton Crop Smallest Since 1961-62*, which is available without charge from the Foreign Agricultural Service, U.S. Department of Agriculture, Room 5918, Washington, D. C.

Increase in German Rice Imports Forecast

Germany's consumption and imports of rice are both on the upswing, despite climbing threshold prices for imports in line with European Economic Community policy. The United States supplied 38 percent of the record 194,000 metric tons imported in calendar 1966. This year, assuming availability of supplies in exporting countries, the United States will have to compete with other third country suppliers for the long grain market. Round grain imports are likely to come entirely from Italy.

Recent price increases on the world market did not have an appreciable effect on the domestic price level. However, the step increases in the threshold price—from $142 per metric ton to $152 on September 1, 1966; to $162 on January 1, 1967; and to $172 on May 1, 1967—caused the German milling industry to increase its ex-mill selling prices.

In 1965-66 per capita consumption of rice in Germany rose to 4.4 pounds from 4.0 in 1964-65. Imports were increased from 173,000 metric tons to 188,000, but stocks decreased by about 4,000 metric tons during this period.

The forecast for 1966-67 indicates moderate increases in per capita consumption, imports, and stocks. This forecast was made despite price increases in rice and relatively low prices and good quality of potatoes, a starch substitute.

Increasing prices for pasta, another substitute, also point to increased consumption of rice. Taken into consideration in the forecast were advanced purchases which may have been made in anticipation of price increases.

Swine Fever Now in 35 Italian Provinces

African swine fever, which first appeared in early April near Rome, has spread to 35 of Italy's 92 provinces. The hardest hit areas are Latium, Lombardy, and Rome.

Since April 7, the Government has taken stringent measures to prevent spread of the disease, including compulsory slaughter of all swine on affected farms and destruction of the carcasses. The Ministry of Health estimates that about 200,000 of Italy's 6 million hogs may have to be destroyed. Farmers will be compensated at the rate of about $64 per head slaughtered; the total cost to the Government may exceed $12 million.

All pork and live hog imports have been banned by the Italian Government. Neighboring countries have banned imports of live hogs and pork products from Italy.

Dairy Breeding Cattle Exports Set New High

U.S. exports of dairy breeding cattle in 1966 were again at an alltime high, both numerically and in dollar value. Based on official veterinary certificates for export, they numbered 23,515 head—6 percent above the previous record—and went to 38 different countries.

Mexico maintained first place as an importer of U.S. dairy cattle, taking 12,076 head. This was an alltime high for Mexico, up from 10,408 head in 1965.

Italy for the second straight year was second, with 3,572 head imported, slightly down from 1965 purchases; dollar volume was up considerably, however, due to higher prices resulting from improvement in the quality of animals imported. Peru climbed from fifth place to third place by virtue of taking 1,403 head, more than double its previous year's purchases. Canada was fourth—1,375 head—while Venezuela slipped to sixth place, after Jamaica.

As usual, Holsteins led the list—20,488 head exported. Brown Swiss were second, totaling 2,036, and were followed by Guernsey (547), Jersey (407), and Ayrshire (37).

Largely responsible for this increase in U.S. dairy cattle exports is the market development work that the Foreign Agricultural Service and its cooperators have engaged in for the last 9 years, during which time exports have averaged a 25-percent increase per year. Efforts in Italy have resulted in that country's maintaining its No. 2 position.

Bumper 1966-67 Grain Crops in Australia

Australia's 1966-67 wheat crop is now officially estimated at 460 million bushels—an all-time record and much higher than anyone expected. The increased production has resulted in total supplies 195 million bushels greater than for the 1965-66 season.

Disappearances so far this year have been about the same as for the identical period last year, leaving much larger supplies for distribution.

Reported intentions to plant wheat for the 1967-68 season are 1.4 million acres higher than the record plantings in 1966-67. However, moisture conditions at planting time are poor in all states except Western Australia. Unless substantial rain falls in May and June, some lands now prepared for wheat will not be planted.

The 1966-67 coarse grain crop was also a record, and reported intentions to plant for 1967-68 are up from last year's plantings by about 750,000 acres.

Spain Anticipates Good Grain Crops in 1967

As a result of favorable temperatures, except for some frost in March, and plentiful rains from February through April, Spain expects its second good grain crop in a row.

The area planted to wheat on March 31 is estimated at 10.2 million acres, 3 percent above the corresponding estimate of 1966. Barley plantings, under the influence of an increase in support price, are expected to be some 15 percent above the 3.2 million acres of last year.

Spain also has a 4-year corn-improvement program, beginning in 1967, which could bring some increase in production this year. The program will be conducted in the eight northern Provinces, where 40 percent of the crop is now grown. The plan calls for certified hybrid seed and fertilizer to be provided to growers on a loan basis and for certain subsidies to growers who comply with production practices specified by the Ministry of Agriculture. The government will also help make corn-drying facilities available to eligible farmers.

Spain has exported about 150,000 metric tons of wheat and flour from its large 1966 crop and with another good crop this year should again be in an export position. Corn and barley imports during July-March of the current year were about the same as in the first 9 months of 1965-66 (1,559,000 metric tons of corn and 433,000 of barley). Grain sorghum imports, however, increased sharply—from 75,000 tons during July 1965—March 1966 to 204,000 in July 1966-February 1967.

World Production of Both Filberts and Walnuts Rises in 1966

A huge Turkish crop pulled filbert production in the world's four main producing countries to a record level last year. At the same time, the chief walnut producers, excluding the Soviet-oriented countries and Mainland China, harvested a well-above-average crop. World exports of both nuts are forecast to rise in the current marketing year as a result of the larger harvests.

The filbert crops in Turkey, Italy, Spain, and the United States totaled 297,000 tons, in-shell basis—24,000 tons above the previous record of 1964 and 59 percent above the 1960-64 average.

Output in Turkey, where filberts are third-ranking export item after cotton and tobacco, has been expanding rapidly. Last year's 200,000-ton crop was nearly double the 1960-64 average and only slightly below the record 1964 harvest of 215,000. As filberts normally have a biennial production cycle, economists predict similarly large Turkish harvests in alternate years.

Italy and the United States also had above-average crops last year, but output in Spain was sharply below last year's bumper harvest.

Filbert trade down somewhat

Filbert exports from the three Mediterranean countries during the 1965-66 marketing year (October-September) declined 8 percent to 173,000 tons because of reduced output in 1965. With a 29-percent drop in exports—to 103,000 tons—Turkey more than accounted for the decline. Both Italy and Spain saw above-average exports, shipping out 48,000 and 22,000 tons, respectively.

The United States imports filberts almost entirely from Turkey. In 1965-66 imports totaled 2,377 tons, 346 tons less than in the previous marketing year. During the first third of the current marketing year, they were 1,087 tons, against 992 for the same period a year earlier. The nuts are imported shelled for use in bakery products and confections.

Both foreign and American production of walnuts last year were up over the 1965 level, with the United States again harvesting more than all leading foreign producers.

At 90,300 tons, the U.S. walnut crop was 15 percent above average while the crops in France, India, Iran, Italy, Syria, Turkey, and Yugoslavia added up to a slightly below-average 87,600 tons. The French crop made a strong comeback after a poor showing in 1965, and India's harvest was also up. No change was registered in Turkey or Syria, while Italy's harvest was far below average.

World walnut trade uneven

Walnut exports from the same countries, excluding Syria, in 1965-66 were well below those of the previous marketing year and sharply below the 1960-64 average. While foreign exports were down to 34,800 tons from 44,300, those from the United States increased to 4,900 tons from 3,600. French and Indian exports declined most sharply. In the case of India, only a strong market at home kept shipments from rising in response to last June's currency devaluation. Total exports for the seven countries are expected to rise to 42,300 tons in 1966-67.

American exports of walnuts have risen sharply in recent years, chiefly because of the California walnut industry's growing emphasis on selling abroad. They were also helped by the short 1965 crop in France. Because of the French comeback, U.S. exports will most likely be down this year to a forecast 4,500 tons.

Evidence points to a strong showing by Mainland China in the walnut export picture. According to import statistics in Canada, the United Kingdom, West Germany, and Switzerland—the leading importers among non-Communist countries—China jumped into first place as a walnut exporter last year, shipping 15,000 tons against 14,000 for second-ranking Italy.

Above, cluster of filberts in Turkey, where production is expanding rapidly; right, a walnut grove in France, last year's second largest producer following the United States.

The United States imported only 1,700 tons of walnuts, in-shell basis, last year—virtually all in kernel form. This compares with 3,327 tons in 1964-65.

PRODUCTION OF FILBERTS IN SELECTED COUNTRIES

Country	Average 1960-64	1964	1965	Preliminary 1966
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
Italy	46.4	33.0	64.0	70.0
Spain	17.0	18.0	24.0	16.0
Turkey	114.8	215.0	75.0	200.0
Total foreign	178.2	266.0	163.0	286.0
United States	8.7	8.1	7.7	11.7
Grand total	186.9	274.1	170.7	297.7

PRODUCTION OF WALNUTS IN SELECTED COUNTRIES

Country	Average 1960-64	1963	1964	1965	Preliminary 1966
	1,000 short tons	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*	*1,000 short tons*
France	28.6	31.0	33.8	18.0	32.0
India	14.0	13.0	15.0	15.0	18.0
Iran	4.4	3.5	3.0	4.0	3.0
Italy	24.9	22.0	20.0	27.0	18.0
Syria	4.8	7.5	3.9	5.0	5.0
Turkey	8.4	7.0	7.5	8.0	8.0
Yugoslavia	3.7	4.0	3.5	3.0	3.6
Foreign total	88.8	88.0	86.7	80.0	87.6
United States	78.7	83.1	90.2	80.3	90.3
Grand total	167.5	171.1	176.9	160.3	177.9

India's Tea Industry Struggles With Heavy Taxes and Reduced Exports

India is still the No. 1 producer of tea in the world; but burdensome taxes, little modernization, rupee devaluation, and declining exports have given the country's tea industry a somewhat bleak future. The existing taxation on Indian tea is so heavy it has hurt the country's position as a large exporter. Ceylon in 1965 replaced India as the world's largest tea exporter.

In 1966 India produced a record tea crop of 827.7 million pounds on an estimated 852,000 acres. Prospects for the 1967 crops are reported good so far, but current production is still far below the Third Plan target of 900 million pounds set for March 1966.

Despite the record output, exports have declined. Sales to the United Kingdom—largest single purchaser of Indian tea—declined sharply in 1966. Shipments to the Soviet Union also went down, contrary to earlier years.

The reduction in last year's exports and prospects for further setbacks can partly be attributed to uncompetitive Indian prices. During the first quarter of 1967 tea prices have improved over the corresponding period of 1966 both at the Calcutta and Cochin markets. Prices have increased primarily because of the better quality of the 1967 crop and increased competition among foreign and internal buyers.

Effect of rupee devaluation on tea sales

Another factor contributing to a drop in exports was problems caused by the devaluation of the rupee in June 1966. Even though rupee earnings from exports were higher last year than in 1965, actual foreign exchange receipts were lower. It was hoped that devaluation would boost lagging tea exports, but because the devaluation was accompanied by a simultaneous imposition of an export duty at a flat rate of US12.1 cents per pound, exports continued to drop. The new duty was intended to give the government a share of the trade's windfall profits arising from devaluation, but instead made India's lower quality teas uncompetitive with those of Ceylon and Africa.

The export duty was revised to an ad valorem basis in November 1966. This action provided a substantial concession for promoting exports, but also brought with it problems of assessment of the duty and a resultant delay in shipments.

India's shipments of tea continued to decline and total exports during 1966 were 45 million pounds short of the 440 million pounds exported in 1965. The tea industry and trade interests since then have been trying to persuade the government to reduce the export duty on tea.

What is ahead for the tea industry

The short-term outlook for the Indian tea industry appears to have improved somewhat since the beginning of this year. Quality teas in the Calcutta market have been bringing good prices, and the market is expected to remain steady at present levels in the next few months.

The UAR has also been fairly active in the Calcutta market to fill its balance requirements for the season. Exports to the USSR, East European countries, Australia, and New Zealand also showed improvement during the first quarter of 1967.

Export activity in the Cochin market has been relatively dull because of the higher prices for the new-crop tea. Exports shipments are expected to pick up as the season advances, however, and total tea exports from India during 1967 may be somewhat higher than last year.

But India's high tea taxes and low plant yields will undoubtedly take their toll on the industry. The profitability ratio of the tea industry has been on a substantial decline, leaving no incentive or resources for needed expansion and modernization. Unless effective cost reductions and promotional measures are adopted promptly, India's tea situation is unlikely to improve.

In January the Government of India announced the appointment of a 12-member government-industry committee to study problems of the tea industry and to recommend measures for increasing production.

INDIA'S SUPPLY AND DISTRIBUTION OF TEA

Item	1965	1966[1]	1967[2]
	Mil. lbs.	*Mil. lbs.*	*Mil. lbs.*
Beginning stocks (Jan. 1)	278.7	306.0	397.0
Production	804.5	827.7	848.8
Imports	.....	.....	.....
Total supply	1,083.2	1,133.7	1,245.8
Exports	439.9	395.0	463.0
Domestic disappearance	330.7	341.7	374.8
Ending stocks (Dec. 31)	306.0[3]	397.0	408.0
Total distribution	1,076.6	1,133.7	1,245.8

[1]Preliminary. [2]Forecast. [3]Adjusted for approximately 6.6 million pounds confiscated by Pakistan during the period of Indian-Pakistan hostilities.

Indian Tea Board and attaché estimates.

Considerable Expansion Foreseen in Dutch Consumption of Frozen Foods

Sales of frozen foods in the Netherlands will double by 1971, according to the marketing director of the country's leading producer.

At a meeting sponsored by the Association of Self-Service Enterprises, Dr. B. E. de Muinck of Iglo N.V. predicted sales of 32,000 tons, excluding meat and chicken, valued at $33,672,000. This compares with a 1965 volume of only 15,000 tons worth $12,972,000. By 1987 he predicts a tonnage of 100,000 with a value of $138,000,000.

Chicken accounts for the largest portion of frozen food sales in the Netherlands. Of a total sales value of $27,600,000 last year, chicken claimed 45 percent, while vegetables, meat, and fish products together made up the remainder. Because of chicken's large share of the current market, Dr. Muinck foresees a less spectacular growth for this item. From sales of 13,000 tons valued at $12,420,000 in 1965, he predicts a rise to 21,000 tons in 1971 and 50,000 valued at $48,300,000 by 1987.

Consumption, regfrigeration at low level

Per capita consumption of frozen foods is still low despite rapid growth in the past few years. In 1965 it stood at 3.5 pounds, compared with 47.2 in the United States, 10.4 in Sweden, and 7.7 in England. Reason for the low consumption level is that only 49 out of every 100 Dutch households have refrigerators and far fewer have freezers. As little as 10 years ago, only 3 out of 100 had refrigerators.

By 1987 Dr. Muinck expects a refrigerator in every household and deep freezers in half—facilitating stepped-up consumption of frozen foods. Freezers with temperatures of 64°F below zero will be available. Moreover, many homes will have microwave ovens which will cook frozen meals quickly and easily.

Dr. Muinck does not predict much of a rise in the number of working wives in the Netherlands, a factor which has contributed to growing use of frozen foods in other countries. Standing at about 6 percent of today's married women, the number will not rise to more than 10 to 15 percent in 20 years. In England today, 30-35 percent of the married women work outside the home. However, Dr. Muinck believes the Netherlands housewife will use more frozen foods to cut the amount of time she spends in the kitchen.

Poultry, fish, vegetables most popular

Dutch production of frozen foods consists chiefly of chicken, vegetables, and fish. The most popular vegetables are peas, several varieties of beans, spinach, endive, and brussels sprouts. In the specialty line, french-fried potatoes, Indonesian foods, and frozen dinners are probably the volume items. Production of frozen desserts is quite limited, and little has been done with bakery products. One firm which tried selling frozen turnovers a few years ago found the market was not yet ready for them; another produces frozen petits fours for export as they are too expensive for the domestic market.

Biggest import items among frozen foods follow the same pattern as domestic production—chicken, turkey, vegetables, and fish. However, more and more Italian, German, and Hungarian entrees are appearing. U.S. boil-in-the-bag vegetables have been introduced, but it is doubtful sales have gone well enough to justify reordering. Because the Dutch are big vegetable eaters, a 9-ounce package may not even be sufficient for two people. Thus the price, not too high at first glance, is in reality rather steep. In contrast, many of Iglo's vegetables come in 16- and 26-ounce packages, as well as the 10-ounce size.

Two brand-name lines of American frozen bakery products are being offered on the Dutch market, but sales have been slow. Marketing will most likely be discontinued until Netherlanders are ready to pay the price, which ocean freight, a 25-percent import levy, and a 5-percent turnover tax have made prohibitive.

—Donna Lee Hersey
Assistant U.S. Agricultural Attaché, The Hague

Top, butcher shop in the Hague with freezer display case for meat and poultry. Below, upright freezer chests of this type are found in neighborhood grocery stores. Though still low, sales of frozen foods are expanding.

Wheat Prospects in Northern Hemisphere Generally Favorable

A large wheat crop is in prospect in Northern Hemisphere countries in 1967. Intended acreages are at record levels. Above-average precipitation generally has built up soil moisture, and conditions are favorable for yields.

Complete information on the extent to which farmers are able to carry out planting intentions, however, will not be available until mid-July. Excessively wet weather prevented planting some of the intended winter acreages in Europe. It is known also that snow and below-normal temperatures delayed spring wheat planting in Canada and the United States.

Production in North America could exceed even last year's sharply increased level, and good crops are in prospect in Western Europe. Up to May, planting and crop conditions of winter wheat in Eastern Europe were mainly satisfactory. Weather in North Africa and East Mediterranean countries has been more favorable than last year. Asia's output will probably rise moderately from 1966.

Big crop seen for United States

Largest of the acreage gains is slated for the United States, where winter wheat acreage was expanded 16 percent from the 1966 level and where spring wheat acreage —if March 1 farmers' intentions are borne out—will climb 20 percent. Because of drought, output from the winter crop is forecast up only 13 percent to 1,195 million bushels. Normally, this crop accounts for about three-fourths of U.S. production.

In Canada, where production has climbed steadily upward, farmers have expressed intentions of planting 3 percent more wheat than the record acreage of a year earlier. Spring planting was slow in some areas, but soil moisture conditions are generally good to excellent.

Mexico has a near-record harvest, 39 percent larger than in 1966 and 36 percent above the 1960-64 average.

Acreage down again in Europe

Prolonged wet weather for the second successive year kept growers of northern Europe from planting intended winter acreages, and plantings will probably approximate the reduced level of the year before. Except for continuing rainfall in some areas, both winter and spring crops are developing well so far and are in good shape. Under present circumstances, production is expected to exceed that of 1966 but will be well below the 1965 record.

Estimated wheat acreage of European Common Market countries is 4 percent less than last year's reduced acreage and nearly 2 million acres below the 1960-64 average. The decline is in the two major EEC producers—France and Italy.

For the second straight year, wet weather cut French acreage of winter wheat; the April 1 acreage estimate was 9,775,000 acres, including winter and some spring acreage, compared with the corresponding estimate of 9,957,000 for harvest in 1966. High yields are in prospect provided good crop conditions continue.

Italy's floods last November devastated thousands of acres of wheat land. A total of about 1 million acres, or 10 percent, of intended acreage was not planted in the northern wheat Provinces. An improved moisture situation on the planted acreage, however, points to increased yields.

Crop conditions of West Germany have continued favorable throughout the season. Acreage is up 7 percent. Winter-kill was extremely low, and an early, sunny spring enabled farmers to fulfill spring seeding intentions. Moisture supplies have been ample, and a large crop is in prospect. Crops of Belgium-Luxembourg and the Netherlands will be well below the record 1965 harvests.

Wheat area of the United Kingdom is up 1.4 percent from the reduced level of a year ago, and production is forecast to rise 8.7 percent.

Acreage rose in Spain and Portugal, where the largest crops in several years are expected. Greek production is forecast at about 14 percent below the large 1966 crop.

Wheat production in North Africa is expected to exceed the drought-reduced harvest of 1966. Dry weather has again lowered Morocco's crop, but adequate rainfall has been reported in Algeria, Tunisia, and Libya.

Output in Asia will gain moderately from the poor showing of 1966, although the outlook for India is little better than it was last year. Pakistani production is expected to climb 8 percent from last year. Japan has reduced its acreage for the sixth consecutive year and expects a crop that is below 1966 and about two-thirds of the 1960-64 average.

Trade could gain

Looking at these countries' likely influence on trade, it appears that a record tonnage may be available for export.

In the five principal exporting countries—Canada, France, the United States, Australia, and Argentina—production could exceed the preceding year's record 89 million tons if intended acreages are planted.

Canada and the United States, which together are expecting a gain from last year's sharply higher production, account for about two-thirds of this production. Including France, where prospects indicate a larger crop than in 1966, Northern Hemisphere countries account for about 80 percent of production of the "big five."

The two remaining top exporters—Argentina and Australia—are endeavoring to expand wheat acreage. Australia's intentions call for planting of 22 million acres, a 7-percent increase over the preceding year's record 20,750,000 acres. However, in early May dry conditions were prevailing in wheat areas except Western Australia. Unless rain falls during the planting season through June, the anticipated increase will not be achieved.

—L. THELMA WILLAHAN
Grain and Feed Division, FAS

Philippines Buys Rice From the United States

The Philippine Republic recently bought 55,000 metric tons of rice from U.S. commercial interests for $172.70 per ton, delivered to Manila. Negotiations for another 70,000 tons are reported in progress.

The Philippines turned to the comparatively high-cost U.S. market after failure to contract for more than 200,000 tons from other usual suppliers that sell lower-priced rice—Thailand, Burma, and the UAR. To avert a shortage in the lean months just before the late autumn harvest, 350,000 tons of rice must be imported.

Exports of U.S. Livestock Products Are Holding Early Gains

Exports of U.S. livestock and livestock products in the first 3 months of 1967 continued to run well ahead of those for the same period a year earlier.

The largest gain was in live cattle exports, up 71 percent over the same period in 1966. Pork exports were second in line, up 66 percent. Exports of red meats were up 28 percent from 1966, while those of the traditional big exports—tallow, lard, hides and skins, variety meats—also rose.

Imports of red meats into the United States during the first quarter of 1967 were up 14 percent from a year earlier. This gain was due primarily to a 30-percent increase in imports of boneless beef (manufacturing-quality beef). Pork imports were down 3 percent, led by a 6-percent decline in canned hams and shoulders—the major pork import. Imports of lamb were down 49 percent. Live cattle imports—mainly feeder cattle from Canada and Mexico—fell 46 percent.

Imports of fresh, frozen, and chilled beef, veal, mutton, and goat—primarily processing meats subject to contingency quotas under the Meat Import Bill (Public Law 88-482)—totaled 197.8 million pounds in the first 3 months of 1967. This was up 23 percent from the 1966 period.

U.S. EXPORTS OF LIVESTOCK PRODUCTS
[Product-weight basis]

Commodity	March		Jan.-Mar.	
	1966	1967	1966	1967
	1,000	*1,000*	*1,000*	*1,000*
Animal fats:	*pounds*	*pounds*	*pounds*	*pounds*
Lard	17,973	8,965	38,654	40,605
Tallow and greases:				
Inedible	168,166	158,415	468,561	500,987
Edible	1,190	1,823	4,169	6,481
Red meats:				
Beef and veal	2,369	3,186	8,848	8,702
Pork	3,913	5,605	9,877	16,390
Lamb and mutton	111	181	260	358
Sausages:				
Except canned	131	197	468	489
Canned	108	143	350	305
Other canned meats	857	781	2,162	2,175
Meat specialties:				
Frozen	168	196	490	442
Canned	291	191	622	620
Total red meats	7,948	10,480	23,077	29,481
Variety meats	20,457	19,148	51,063	56,134
Sausage casings:				
Hog	749	730	1,753	1,803
Other natural	449	226	1,126	649
Mohair	612	1,022	2,116	2,249
Hides and skins:				
Cattle (parts)	.....	3,719	.....	9,264
	1,000	*1,000*	*1,000*	*1,000*
	pieces	*pieces*	*pieces*	*pieces*
Cattle	1,320	1,132	3,492	3,791
Calf	268	231	695	543
Kip	62	34	172	127
Sheep and lamb	216	410	580	811
Horse	10	2	14	10
Goat and kid	47	34	128	76
	Number	*Number*	*Number*	*Number*
Live cattle	2,179	4,397	6,757	11,580

Bureau of the Census.

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS
[Product-weight basis]

Commodity	March		Jan.-Mar.	
	1966	1967	1966	1967
Red meats:				
Beef and veal:				
Fresh and frozen:	*1,000*	*1,000*	*1,000*	*1,000*
Bone-in beef:	*pounds*	*pounds*	*pounds*	*pounds*
Frozen	306	118	1,312	466
Fresh & chilled	612	202	3,663	882
Boneless beef	40,608	56,946	138,521	179,922
Cuts (prepared)	163	112	794	757
Veal	1,470	579	4,155	3,929
Canned corned beef	.....	6,133	.....	16,492
Canned beef & beef sausage	5,305	1,002	19,155	3,119
Prepared and preserved	1,437	2,858	4,275	9,560
Total beef & veal	49,901	67,950	171,875	215,127
Pork:				
Fresh and frozen	4,147	3,812	11,386	11,146
Canned:				
Hams & shoulders	21,599	21,922	57,517	54,232
Other	4,964	5,215	12,496	13,663
Cured:				
Hams & shoulders	166	195	408	435
Other	352	339	1,189	986
Sausage	270	262	539	686
Total pork	31,498	31,745	83,535	81,148
Mutton and goat	6,422	4,038	13,505	12,556
Lamb	1,644	987	4,606	2,397
Other sausage	608	651	1,396	1,708
Total red meat	90,073	105,371	274,917	312,936
Variety meats	394	244	1,233	866
Wool (clean basis):				
Dutiable	22,188	11,836	58,139	30,243
Duty-free	10,781	5,743	26,882	16,977
Total wool	32,969	17,579	85,021	47,220
	1,000	*1,000*	*1,000*	*1,000*
Hides and skins:	*pieces*	*pieces*	*pieces*	*pieces*
Cattle	20	16	99	40
Calf	22	29	79	108
Kip	40	25	108	75
Buffalo	51	23	117	107
Sheep and lamb	4,543	3,167	8,173	6,099
Goat and kid	1,142	576	3,066	2,234
Horse	31	22	80	61
Pig	173	90	472	350
	Number	*Number*	*Number*	*Number*
Live cattle[1]	116,235	60,233	295,461	160,251

[1]Includes cattle for breeding.
U.S. Dept. of Commerce, Bureau of the Census.

Canada To Ship More Wheat to Bulgaria

Canada, on April 26, renewed its trade agreement with Bulgaria providing for a 3-year extension of the most-favored-nation treatment between the two countries and for further sales of Canadian wheat.

Bulgaria has undertaken to purchase a minimum of 7.4 million bushels of wheat during the next 3 years with an option, subject to the Canadian Wheat Board's ability to supply, on a further 3.7 million bushels.

The basic quantity, together with the additional option, would represent about C$24 million of trade at current prices. Purchases of wheat under the present agreement will be facilitated by the extension of credit arrangements under Canada's Export Credits Insurance Act, providing for payment over 3 years.

During the 3-year period of the previous agreement Canada was able to provide 17.1 million bushels.

Bumper Wheat Crop in Sight for Turkey

Prospects are good for another bumper wheat harvest in Turkey. With normal precipitation in May, the country's 1967 crop could reach last year's record 8.2 million tons. Thus far, the only negative factor associated with the crop has been a dry fall with late germination. The effect, however, has not been sufficient to deter the harvesting next June-August of one of Turkey's largest wheat crops.

Government-owned wheat stocks for the new marketing year, which begins June 1, are currently estimated at 370,000 tons, or 70,000 above the minimum level and a big improvement over a year earlier. This improved stock position, plus prospects for another large harvest, should help reduce Turkish wheat imports below the 298,000 of 1966-67.

East Germany Exports Grain to West Germany

Under existing Inter-Zonal Trade Agreements, East Germany has been exporting grain to West Germany as payment for industrial goods.

Estimates for 1966-67 place such exports at 235,000 metric tons of wheat and 100,000 of rye. This compares with a combined total of 300,000 tons for 1965-66. Since East Germany is traditionally a net grain importer, this grain may represent indirect exports by the Soviet Union.

Japan's Tobacco Trade Sets New Record

Japan's trade in unmanufactured tobacco during calendar 1966 set a new record for both imports and exports.

Imports of unmanufactured tobacco totaled 70.7 million pounds, compared with 55.0 million in 1965 and 64.1 million in 1964. Larger imports from the United States, Turkey, India, Bulgaria, and Yugoslavia more than offset reduced takings from Rhodesia, Greece, and Thailand.

JAPAN'S UNMANUFACTURED TOBACCO EXPORTS

Destination	1964	1965	1966
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Germany, West	9,721	10,502	14,218
Ryukyu Islands	3,877	3,518	3,409
Austria	.....	.....	653
Belgium	592	429	628
UAR (Egypt)	.....	235	262
Hong Kong	316	871	110
Netherlands	229	200	97
United Kingdom	.....	5	105
Australia	265	266	4
Others	327	.....	73
Total	15,327	16,026	19,559

Japan Exports and Imports.

Imports from the United States rose to 47.5 million pounds from 27.5 million for 1965 and represented 67.1 percent of total imports, compared with 50.0 percent for the previous year. Takings from Rhodesia dropped to 5.5 million pounds from 13.7 million in 1965. Also, there were no reported imports during 1966 from Canada and Zambia; in 1965, these countries supplied 332,000 and 192,000 pounds, respectively.

Japan's exports of unmanufactured tobacco last year set a new high of 19.6 million pounds—22.0 percent larger than the 16.0 million shipped abroad in 1965. Larger exports to West Germany, Austria, Belgium, and the United Kingdom accounted for most of the gain. According to the Monopoly's trade figures, burley exports totaled 10.8 million pounds at the equivalent of 54.7 U.S. cents per pound, compared with 9.8 million at 50.4 cents for 1965.

West Germany was the major export market, taking 90 percent of burley shipments during the last 2 years and 72.7 percent of total 1966 exports. Shipments to that country last year rose to 14.2 million pounds from 10.5 million for 1965. Exports to Austria totaled 653,000 pounds; Belgium, 628,000; and the United Kingdom, 105,000 pounds.

Importing areas which reduced takings of Japanese tobaccos during 1966 included the Ryukyu Islands, Hong Kong, the Netherlands, and Australia.

Finnish Tobacco Imports Off Slightly

Finland's imports of unmanufactured tobacco in 1966 totaled 12.2 million pounds, compared with 12.8 million in 1965. The United States supplied 5.7 million in 1966, or 47 percent of the total. In 1965, imports from the United States, at 6.6 million, accounted for 51 percent of the total.

Other major sources of imports in 1966 were Greece 2.0 million, Turkey 1.3 million, Indonesia 0.6 million, and Rhodesia 0.6 million.

Average import prices per pound in 1966, in terms of U.S. cents, from major supplying countries were as follows: the United States 76, Greece 68, Turkey 56, Indonesia 49, and Rhodesia 43.

FINLAND'S TOBACCO IMPORTS

Item	1965	1966[1]
	1,000 pounds	*1,000 pounds*
United States	6,611	5,736
Greece	2,023	2,039
Turkey	1,220	1,257
Indonesia	633	547
Rhodesia	927	547
Malawi	(2)	280
Zambia	(2)	284
Thailand	225	377
Soviet Union	211	229
Mexico	238	194
Brazil	86	161
Others	623	591
Total	12,797	12,242

[1]Preliminary. [2]Included with Rhodesia.

Malawi's 1967 Tobacco Harvest

Current estimates place Malawi's 1967 tobacco harvest at about 40 million pounds—a little below last season's crop and 10 million less than the 1965 harvest of 50 million. In addition, sales of Zambian flue-cured this season on the Limbe auction may total about 800,000 pounds.

This year's crop of fire-cured is estimated at about 27.7 million pounds, compared with 26.7 million last year;

the burley crop, at 6.3 million, compared with 5.3 million; flue-cured, at about 3.7 million, compared with 2.7 million; and sun/air-cured, at 2.2 million, compared with about 6 million. Sun/air-cured is being purposely reduced because of overproduction in 1965 and 1966.

Greece's Oriental Tobacco Exports Set Record

Greece's exports of oriental tobaccos last year totaled a record 178.4 million pounds—13.3 percent above the 157.5 million shipped abroad in 1965.

Larger shipments to West Germany and the United States accounted for most of the gain. Sales to West Germany rose to 64.6 million pounds from 48.3 million for 1965 and accounted for 36.2 percent of total exports, compared with 30.7 percent for the previous year. Exports to the United States, at 28.1 million pounds, were 13.8 percent larger than the 1965 level of 24.7 million. Shipments to these two countries represented 51.7 percent of total exports last year, compared with 46.4 percent in 1965.

Exports to EEC countries last year rose to 87.3 million pounds from 70.3 million for 1965 and accounted for 48.9 percent of total exports, compared with 44.7 percent for the previous year. Also, shipments to Soviet-oriented countries last year rose to 38.2 million pounds from 34.6 million for 1965 and represented 21.4 percent of total exports; shipments to these countries, particularly the USSR, are expected to increase significantly during 1967 over the previous year's level. Total exports for calendar 1967 will probably set another new high.

Stocks of oriental tobaccos held on January 1, 1967, consisting of 1965 and prior crops, totaled a record 206.0 million pounds, or up substantially from the 153.7 million held on the same date a year ago. Also, practically the entire quantity is considered to be exportable.

GREECE'S ORIENTAL TOBACCO EXPORTS

Destination	1965[1]		1966[1]	
	Quantity	Price	Quantity	Price
	1,000 pounds	*U.S. cents per lb.*	*1,000 pounds*	*U.S. cents per lb.*
Germany, West	48,292	64.0	64,637	64.4
United States	24,700	82.6	28,109	86.2
USSR	13,417	72.1	14,762	76.7
France	11,437	59.9	10,291	58.1
Poland	9,169	75.3	7,626	77.6
Italy	6,303	69.9	6,554	66.2
Czechoslovakia	4,588	84.4	6,142	77.6
Japan	8,430	79.4	5,198	79.4
Germany, East	5,862	78.0	4,852	75.3
Hungary	1,581	68.0	4,740	51.3
UAR (Egypt)	6,195	62.6	4,641	59.0
Belgium	2,705	53.1	4,220	50.8
Austria	2,022	61.2	2,884	54.9
Switzerland	2,471	73.5	1,656	65.8
Finland	1,984	61.2	1,596	68.5
Netherlands	1,605	54.0	1,572	44.9
Others	6,692	68.4	8,941	65.5
Total	157,453	70.3	178,421	69.4

[1]Preliminary; subject to revision.

Italy's Tobacco Product Output, Sales Up

Italy's tobacco factories produced 150.2 million pounds of tobacco products in 1966, compared with 141.6 million in 1965. This was an increase of about 6 percent. Larger output of cigarettes, cigars, and cigarillos more than offset a drop in production of cut tobacco and snuff.

Cigarette output last year totaled 138.8 million pounds, up from 129.6 million in 1965. Cigars and cigarillos rose to 3.1 million pounds from 3.0 million. For cut tobacco and snuff, totals in 1966 were 7.7 million and 578,000 pounds, respectively.

Sales of tobacco products in Italy last year totaled a record 153.9 million pounds, compared with 1965's 145.7 million. Cigarettes made up 92.6 percent of the total, with domestic-made brands representing 95.4 percent of cigarette sales, and imported, 4.6 percent. Filter-tipped brands accounted for about 42 percent of cigarette consumption in 1966.

Suez Canal Northbound Shipments

Northbound shipments of vegetable oil-bearing materials through the Suez Canal during October-March 1966-67, at 753,154 tons, were 5 percent below the same 6 months in 1965-66. Reduced movements of copra, soybeans, and cottonseed accounted for most of the decline; however, movements of castorbeans and palm kernels increased. Shipments of soybeans totaled 1,354,000 bushels, compared with 2,073,000 in the first half of 1965-66.

Shipments of vegetable oil amounted to 251,963 metric tons against 236,805 in October-March last year. The increase reflected larger movements of palm, coconut, and peanut oils.

Vegetable cake and meal shipments in the 6-month period were 723,440 tons, or 14 percent below the 838,793 tons shipped in the corresponding period of 1965-66. The decline reflected reduced movements of peanut and copra cakes and meals.

NORTHBOUND SHIPMENTS OF OIL-BEARING MATERIALS THROUGH THE SUEZ CANAL

Item	March		Oct.-March	
	1966	1967	1965-66	1966-67
	Metric tons	*Metric tons*	*Metric tons*	*Metric tons*
Soybeans[1]	16,058	14,635	56,425	36,872
Copra	84,111	53,528	486,952	454,233
Peanuts	17,884	30,164	87,100	88,099
Cottonseed	6,648	8,429	49,761	33,390
Flaxseed[2]	1,990	780	3,586	2,070
Castorbeans	8,670	8,887	25,387	39,496
Palm kernels	2,886	5,350	17,499	22,726
Sesame	5,600	5,613	30,265	32,655
Other	5,164	15,290	38,013	43,613
Total	149,011	142,676	794,988	753,154

[1]Metric ton of soybeans equals 36.7 bu. [2]Metric ton of flaxseed equals 39.4 bu.

Suez Canal Authority, Cairo, Egypt.

NORTHBOUND SHIPMENTS OF SOYBEANS THROUGH THE SUEZ CANAL

Item	Year beginning October 1				
	1962	1963	1964	1965	1966
	1,000 bu.	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*	*1,000 bu.*
January	622	661	212	1,058	364
February	451	590	923	315	197
March	255	233	1,692	590	538
October-December	13	19	1,604	110	255
January-March	1,328	1,484	2,826	1,963	1,099
April-June	573	706	1,376	1,026	.....
July-September	1,584	4,106	1,562	1,588	.....
Oct.-September	3,498	6,315	7,368	4,687	.....

Totals computed from unrounded numbers.

Suez Canal Authority, Cairo, Egypt.

Antarctic Whale Oil Output Declines

Production of baleen whale oil in the 1966-67 Antarctic pelagic season, which began on December 12, 1966, is provisionally estimated at 71,155 short tons, compared with 83,955 and 158,244 tons in 1965-66 and 1964-65, respectively. Production data for sperm whale oil is not yet complete, but output by Japan and Norway declined 16 percent; total production will likely be markedly below the 59,232 tons produced in 1964-65.

PRODUCTION OF WHALE OIL IN THE ANTARCTIC PELAGIC SEASON[1]

Participating country	Baleen oil		Sperm oil[2]	
	1965-66	1966-67[3]	1965-66	1966-67[3]
	Short tons	*Short tons*	*Short tons*	*Short tons*
Japan	44,589	34,222	2,849	2,203
Soviet Union	21,317	[4]22,035	34,676	(5)
Norway	18,049	14,898	5,707	4,966
Total	83,955	71,155	43,232	(5)

[1]Converted from original unit at the rate of 170 kilograms, or 374.7820 pounds of oil, per barrel. [2]Including catch of sperm whales north of latitude 40° S. on voyage to and from the Antarctic. [3]Preliminary. [4]Estimate based on a catch of 1,069 blue whale units, with an assumed outturn of 110 barrels of oil per blue whale unit. [5]Not available.

Norwegian Whale Gazette, Oslo.

The total catch this season amounted to 3,503 blue whale units (BWU), slightly in excess of the agreed quota level. Based on official figures, baleen whale oil output by Japan declined, reflecting the reduced quota. Norway's output also declined as a result of reduced oil yield per BWU caught. Russian output is estimated to have increased, reflecting a larger quota; however, actual production has not yet been officially reported.

ANTARCTIC PELAGIC WHALING SEASON QUOTAS AND RESULTS

Season	Japan	USSR	Norway	Netherlands	Total
	Blue whale units	*Blue whale units*	*Blue whale units*	*Blue units*	*Blue whale whale*
1963-64:					
Quota	4,600	2,000	2,800	600	10,000
Results	4,600	2,001	1,485	343	8,429
1964-65:					
Quota	4,160	1,600	2,240	.....	8,000
Results	4,125	1,588	1,273	.....	6,986
1965-66:					
Quota	2,340	900	1,260	.....	4,500
Results	2,340	920	829	.....	4,089
1966-67:					
Quota	1,633	1,067	800	.....	3,500
Results[1]	1,633	1,069	801	.....	3,503

[1]Preliminary.

Note: The blue whale unit is the statistical unit used in relation to which smaller whales are expressed. One blue whale unit equals one blue whale, or two fin whales or two-and-one-half humpback whales, or six sei whales.

During the 1966-67 pelagic season, 9 factory ships and 120 catching boats were in operation—1 less factory ship and 8 less catching boats than in the previous season.

No action has yet been taken by the International Whaling Commission in allocating the BWU quotas for the forthcoming season.

Tung Oil Shipments From Buenos Aires

Tung oil exports from Argentina and Paraguay through Buenos Aires in August 1966-March 1967 totaled 44.2 million pounds, compared with 23.2 million during the same 8 months a year ago. Exports to the United States were slightly above the level in the same period a year earlier, but shipments to other countries, largely Western Europe, quadrupled.

Prices for South American tung oil, c.i.f. basis European ports, on May 4 were equivalent to 12.625 U.S. cents per pound, compared with 19.00 a year ago. Prices for Chinese tung oil, basis Europe, have not been quoted in recent weeks. However, trade sources report some recent sales of Chinese oil for July delivery at £103 per long ton (12.875 U.S. cents per pound) ex-tank, Rotterdam basis.

TUNG OIL SHIPMENTS FROM BUENOS AIRES[1]

Origin and destination	February	March		Aug.-Mar.	
	1967[2]	1966	1967[2]	'65-'66	'66-'67[2]
	Mil. lb.	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*	*Mil. lb.*
Argentina:					
To United States	0.8	1.5	1.0	6.6	6.8
To other countries[3]	3.3	1.4	2.7	6.5	19.6
Total	4.1	2.9	3.7	13.1	26.4
Paraguay:					
To United States	.7	1.7	1.7	9.9	11.9
To other countries[3]	.1	....	.4	.2	5.9
Total	.8	1.7	2.1	10.1	17.8
Total:					
To United States	1.5	3.2	2.7	16.5	18.7
To other countries[3]	3.4	1.4	3.1	6.7	25.5
Grand total	4.9	4.6	5.8	23.2	44.2

[1]Presumed to represent virtually all the tung oil exported from Argentina and Paraguay. [2]Preliminary. [3]Largely to West European countries. Compiled from shipments data, *Boletín Marítimo*, Buenos Aires.

Nigerian Peanut Estimate Revised Upward

Contrary to all previous indications, trade and official sources now believe that Nigeria's 1966-67 peanut crop equaled the record production in 1965-66.

This belief is based on the level of purchases for export by the Northern Nigerian Marketing Board. Purchases from February 24 to March 30—163,894 long tons, shelled basis—were exceptionally large. Cumulative purchases since the beginning of the season to April 13 totaled 904,600 tons. Purchases for the entire 1965-66 season were a record 977,320 tons.

Normally the bulk of peanut purchases occurs during November, December, and January, dropping sharply thereafter. The change in the normal pattern this year is believed to be due to late financing availabilities coupled with transportation and labor problems in the Northern Region.

Denmark Imports Less Soybeans

Imports of soybeans into Denmark in 1966 declined to 305,572 metric tons—24 percent less than the 404,150 tons imported in 1965. Soybeans from the United States dropped sharply from the 402,880 tons imported in 1965 to 302,485 tons in 1966. Imports from Mainland China totaled 3,070 tons, compared with 1,266.

Italian Imports of Oilseeds and Oils Up Slightly

Imports of vegetable oil-bearing materials into Italy in 1966 at 1.1 million metric tons were 36 percent above

the previous year's record high volume of 800,000 tons. Imports of soybeans from the United States increased to 457,410 tons compared with 381,073 in 1966. Imports from Brazil also increased, and totaled about 31,000 tons, while purchases from Mainland China declined. Rapeseed imports were significantly above those in 1965 reflecting larger imports from Canada and France. Sunflowerseed from Bulgaria and Romania also registered sharp increases. So did imports of peanuts, which amounted to about 93,877 tons against 47,253 in 1965, chiefly from Nigeria.

Despite the 115,000 ton increase in domestic production of edible olive oil in 1965-66 from the previous year, Italian imports of vegetable oils in 1966 increased by 37 percent over 1965. Imports of olive oil, chiefly from Spain, Tunisia, and Morocco, accounted for most of the total increase, while purchases from Turkey declined sharply. Imports of palm oils and industrial oils also increased somewhat.

Because of the substantial decline in domestic olive oil output from the 1966 crop, total imports of oil-bearing materials and oils are expected to increase further in 1967.

ITALIAN IMPORTS OF SELECTED OIL-BEARING MATERIALS AND VEGETABLE OILS

Item	1963	1964	1965	1966
	Metric	*Metric*	*Metric*	*Metric*
Oil-bearing materials:	*tons*	*tons*	*tons*	*tons*
Cottonseed	343	449	1,259	249
Peanuts[1]	177,309	129,765	101,521	164,163
Soybeans	334,795	324,910	449,492	530,071
Sunflowerseed	62,176	66,862	62,972	122,942
Rapeseed	91,034	65,112	132,281	209,844
Sesameseed	32,507	26,752	31,216	40,704
Mustardseed	216	.....	172	209
Hempseed	515	513	1,044	771
Copra	27,457	24,437	22,749	21,963
Palm kernels	473	689	2,027	973
Flaxseed	4,333	3,917	5,304	6,237
Castorbeans	11,672	8,159	9,083	12,409
Others	4,384	8,978	2,206	5,731
Total	747,214	660,543	821,326	1,116,266
Vegetable oils:				
Cottonseed	8	24	69	6
Peanut	1,580	316	217	1,792
Soybean	3,108	6,459	1,799	2,481
Sunflower[2]	3,823	1,786	734	2,707
Rapeseed	1,001	178	591	1,350
Sesame	49	.....	5	44
Olive[3]	128,371	57,069	40,184	72,612
Coconut	15,349	15,998	15,835	18,721
Palm	27,955	28,489	32,045	33,117
Palm kernel	7,011	7,478	9,981	10,192
Linseed	16,468	15,767	17,703	18,960
Castor	148	84	236	218
Tung	1,470	1,158	933	1,756
Others	72	139	1,426	2,295
Total	206,413	134,945	121,758	166,251

[1]Shelled basis. [2]Includes corn oil. [3]Excludes sulfur oil.
Italian Central Institute of Statistics.

Indian Sugar Prices Rise

Owing to a deteriorating supply position, sugar prices have been rising all over India during the past several weeks. At Hapur, in the principal sugar-producing State of Uttar Pradesh, sugar has been selling on the black market at 240 to 260 rupees per quintal (1.45 to 1.57 cents per lb.) as against the controlled price of 152 (0.91 cents per lb.).

The industry has been asking for a lifting of controls on sugar distribution and prices to ease the difficulties. Increasing the basic minimum cane price and lowering the excise taxes on sugar have been considered as ways of checking rising sugar prices. The low cane price this year has reportedly reduced production prospects for mill sugar next season (1967-68). Switching of cane areas to wheat and rice cultivation has been reported from some important sugar-producing regions.

India's Pepper Exports Show Gain

India's pepper exports for the January-October period of last year totaled 48.8 million pounds compared with 42.7 million for the same period in 1965.

Most of this increase was accounted for by shipments to the Soviet Union which totaled 16.7 million pounds in the 10-month period as against 11.1 million the previous year. The United States was the second largest market, taking about 11 million pounds. Italy, Canada, Yugoslavia, Romania, and Poland were other major recipients of India's pepper exports in 1966.

Record Australian Sultana Pack

The 1967 Australian sultana pack has been estimated at 95,200 short tons, an alltime high. If this tonnage is attained, it will exceed by 16,700 tons the 1966 pack of 78,500 tons. The 1961-65 average is 81,200 tons.

The 1967 crops of Australian lexias—seeded raisins—and dried currants are also indicated above average. The 1967 lexia pack is estimated at 14,100 tons (compared with 11,100 tons in 1966) and the 1967 dried currant pack at 11,500 (against 8,200).

Excellent growing and harvesting conditions are mainly responsible for this heavy output—the third time in four seasons that previous record yields for dried vine fruits have been surpassed. The quality of the 1967 pack is reportedly excellent for sultanas, lexias, and currants. Unlike the 1966 pack, hardly any of the 1967 sultanas will fall into the lower quality categories. About 94 percent is said to grade 4-crown or better, as against 49 percent in 1966.

West German Hops Acreage Increases

West Germany's 1967 hops acreage is reported to have increased by 1,200-2,000 acres from the 27,216 acres under cultivation last year. This is the sixth straight year of acreage gains, which averaged 6 percent per year over the period.

According to latest crop-condition reports from the main producing region (Hallertau) the wet, mild winter was not favorable to the hop roots. In addition, the cold, damp spring has slowed spring cultivation work, but if the weather improves, a normal crop is expected. If the 1960-64 average yield of 1,655 pounds per acre is used as a guide, the crop could be in excess of 45 million pounds.

The 1966 crop is still estimated at 38.5 million pounds, in spite of localized crop damage caused by hail, some use of improper pesticides, and increased disease incidence. This is 4 percent below the revised 1965 production estimate of 40.1 million pounds but 8 percent above average.

West German hops imports, at 11.2 million pounds, were

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up 37 percent during September 1966-February 1967 as compared with the same period a year ago. At the same time, exports of hops dropped 10 percent to 10 million pounds. Imports of U.S. hops during the period rose 19 percent (to 4.0 million pounds), while hops exports to the United States dropped 8 percent (to 4.4 million) in the same period. This important two-way trade is based on price and varietal differences, with U.S. brewers buying expensive German hops for their unique flavor characteristics and German brewers using U.S. hops for their high brewing value and lower cost. Also, a high proportion of the U.S. hops is converted into extracts (for which they are ideal) and used in German beer or re-exported.

South Korea Imports More Cotton

In the first 5 months (August-December) of the 1966-67 season, South Korea imported 161,000 bales of cotton, compared with 155,000 in the same months of the preceding season. As customary in past years, all of the imported cotton was from the United States.

In the entire 1965-66 season, South Korea imported 327,000 bales of cotton, and in the current season imports may reach a record of around 350,000 bales. A major portion of the raw cotton imported from the United States is paid for with local currency, although some is under barter arrangements, and some for hard currency.

At present more than a half million cotton spindles are in operation in South Korea. Around 15 to 20 percent of the cotton textiles produced are exported, the principal markets being the United States, Hong Kong, Netherlands, and Australia. Attention is being concentrated on developing additional export markets for textiles. Also, government policy is to favor production for export.

Consumption of raw cotton in 1966-67 will likely be slightly above the estimated 340,000 bales used last season. Domestic production has been declining over the years because of competition from other crops for the available land and is expected to total only 15,000 bales this season. This trend is likely to continue. Most of the domestic crop is used for nonspinning purposes.

Indian Study Foresees Cotton Decline in Punjab

A team of agricultural economists at the Punjab Agricultural University indicated in a recent report that cotton in the Punjab faces the prospect of being eliminated from production by 1970-71, because of the relatively low returns from cotton in that area.

The Punjab is a major cotton producer in India and is source of much of the country's cotton exports. Area devoted to cotton there totals more than 1.5 million acres, or about 8 percent of India's total cotton area. Production, however, claims a larger share of the Indian total—about one-fifth of the crop—as a result of the higher yields in this largely irrigated area.

The study indicated that the production of foodgrains, particularly wheat, corn, and millet, would increase substantially by 1970-71. However, the study group cautioned that productivity increases would be limited by the extent to which improved production techniques, especially the use of high-yielding varieties, were adopted. A most vital input, they felt, was fertilizer. So long as it remained a limiting factor, adoption of improved production techniques and higher-yielding varieties would remain restricted. Therefore, the team recommended that the heaviest emphasis be placed on fertilizer production in the country in order to increase agricultural production.

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